## CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name: Porker Oil Evaporation Pit Proposed Implementation Date: Winter 2007

Proponent: Porker Oil., P.O. Box 152 Kevin, MT 59454

**Type and Purpose of Action:** The purpose of this proposal is to contain connate formation water that is produced from several Oil wells within Lease #6823-62. The type of proposal is to construct a containment pit with sufficient volume capacity to meet the discharge volumes produced from the lease within a dry lake playa located below the tank battery. (See enclosed map for location.) Total area to be impacted will be approximately .44 acres. (See attachment for schematic and calculations.)

Location: T35N, R1W, Sec 30 County: Toole

	I. PROJECT DEVELOPMENT			
1.	PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED: Provide a brief chronology of the scoping and ongoing involvement for this project.	DNRC, MMB, Subsurface/Surface owner Porker Oil. Proponent Daniel Roark, Surface Lessee		
2.	OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED:	Montana Board of Oil & Gas (Permit To Construct Or Operate An Earthen Pit) Montana DNRC Under O&G Lease # 6823-62 Rule 36.22.1226 (Disposal Of Water)		
3.	ALTERNATIVES CONSIDERED:	Deny the request		

II. IMPACTS ON THE PHYSICAL ENVIRONMENT		
	RESOURCE	[Y/N] POTENTIAL IMPACTS
		N = Not Present or No Impact will occur. Y = Impacts may occur (explain below)
4.	GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE: Are fragile, compactable or unstable soils present? Are there unusual geologic features? Are there special reclamation considerations? Are cumulative impacts likely to occur as a result of this proposed action?	[N] This proposal will take place on northern glaciated plains. The general topography consists of a lake playa and glaciated uplands. The soils are dominated by heavy clay textures. Cumulative impacts are not anticipated as a result of this action
5.	WATER QUALITY, QUANTITY AND DISTRIBUTION: Are important surface or groundwater resources present? Is there potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality? Are cumulative impacts likely to occur as a result of this proposed action?	[Y] The objective of this proposal is to contain formation water being derived from the Madison Group at 1600' of depth. Well bore water chemistry has been analyzed monthly since April 2004 and meets the requirements for livestock consumption. Cumulative impacts are not likely to occur as a result of this proposal.

6.	AIR QUALITY: Will pollutants or particulate be produced? Is the project influenced by air quality regulations or zones (Class I air shed)? Are cumulative impacts likely to occur as a result of this proposed action?	[N] There will be no impact to the air shed as a result of this proposal.
7.	VEGETATION COVER, QUANTITY AND QUALITY: Will vegetative communities be permanently altered? Are any rare plants or cover types present? Are cumulative impacts likely to occur as a result of this proposed action?	[N] Vegetation will be affected, as the proposed action will flood a specific area. At the time of the field inspection part of the proposal is void of vegetation and part of the proposed area is made up of foxtail and salt grass.
8.	TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS: Is there substantial use of the area by important wildlife, birds or fish? Are cumulative impacts likely to occur as a result of this proposed action?	[Y] The water chemistry shows has been monitored and tested since April of 2004. Analysis shows the water is suitable for livestock consumption.
9.	UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES: Are any federally listed threatened or endangered species or identified habitat present? Any wetlands? Sensitive Species or Species of special concern? Are cumulative impacts likely to occur as a result of this proposed action?	[N] There are no endangered or threatened species or habitat present on this site.
10.	HISTORICAL AND ARCHAEOLOGICAL SITES: Are any historical, archaeological or paleontological resources present?	[N] During the field inspection there were no historic sites found. The lease records also indicated no cultural sites present.
11.	AESTHETICS: Is the project on a prominent topographic feature? Will it be visible from populated or scenic areas? Will there be excessive noise or light? Are cumulative impacts likely to occur as a result of this proposed action?	[N] There are no prominent topographic features in the proposed area.
12.	DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, and AIR OR ENERGY: Will the project use resources that are limited in the area? Are there other activities nearby that will affect the project? Are cumulative impacts likely to occur as a result of this proposed action?	[N] There are basically only two major industries within this proposed area. They are agricultural and petroleum industries and both work quite well together.
13.	OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA: Are there other studies, plans or projects on this tract? Are cumulative impacts likely to occur as a result of other private, state or federal current actions w/n the analysis area, or from future proposed state actions that are under MEPA review (scoping) or permitting review by any state agency w/n the analysis area?	[N] None

	III. IMPACTS ON THE HUMAN POPULATION			
	RESOURCE	[Y/N] POTENTIAL IMPACTS AND MITIGATION MEASURES		
14.	HUMAN HEALTH AND SAFETY: Will this project add to health and safety risks in the area?	[N] This project will not add to the health and safety of the area.		
15.	INDUSTRIAL, COMMERCIAL AND AGRICULTURAL ACTIVITIES AND PRODUCTION: Will the project add to or alter these activities?	[Y] The results of this project will contribute to oil production of the area. This particular area is dependent upon both the petroleum and agricultural industries.		
16.	QUANTITY AND DISTRIBUTION OF EMPLOYMENT: Will the project create, move or eliminate jobs? If so, estimated number. Are cumulative impacts likely to occur as a result of this proposed action?	[N] This project will not create any new jobs, as the project will be completed in house by the proponent.		
17.	LOCAL AND STATE TAX BASE AND TAX REVENUES: Will the project create or eliminate tax revenue? Are cumulative impacts likely to occur as a result of this proposed action?	[Y] This project will create tax revenue from the sale of continued natural gas production.		
18.	DEMAND FOR GOVERNMENT SERVICES: Will substantial traffic be added to existing roads? Will other services (fire protection, police, schools, etc) be needed? Are cumulative impacts likely to occur as a result of this proposed action?	[Y] There will be no influx of traffic resulting from this project.		
19.	LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS: Are there State, County, City, USFS, BLM, Tribal, etc. zoning or management plans in effect?	[N] None		
20.	ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES: Are wilderness or recreational areas nearby or accessed through this tract? Is there recreational potential within the tract? Are cumulative impacts likely to occur as a result of this proposed action?	[N] There are no wilderness or recreational sites accessed through this tract.		
21.	DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING: Will the project add to the population and require additional housing? Are cumulative impacts likely to occur as a result of this proposed action?	[N] None		
22.	SOCIAL STRUCTURES AND MORES: Is some disruption of native or traditional lifestyles or communities possible?	[N] None		
23.	CULTURAL UNIQUENESS AND DIVERSITY: Will the action cause a shift in some unique quality of the area?	[N] None		
24.	OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES: Is there a potential for other future uses for easement area other than for current management? Is future use hypothetical? What is the estimated return to the trust. Are cumulative impacts likely to occur as a result of this proposed action?	[Y] This project can benefit the State of Montana in terms of oil royalties produced from lease #6823-62.		

EA Checklist Prepared By: _			Date:
	Name	Title	

IV. FINDING		
25. ALTERNATIVE SELECTED:	Grant Porker Oil authorization to install a 150' X 128' X 3.5' (deep) evaporation pit.	
26. SIGN4IFICANCE OF POTENTIAL IMPACTS:	The proposed evaporation pit will contain produced waters in compliance with BOOG regulations. The construction will occur on State surface and State mineral lease (6823-62). The school trust will economically benefit from this evaporation pit by allowing State 4X well (lease) to be produced.	
27. Need for Further Environmental Analysis:		
[ ] EIS [ ] More Detailed EA [ X ] No Further Analysis		
EA Checklist Approved By: Erik Eneboe Name	<u>Conrad Unit Manager - CLO</u> Title	

Signature

January 26, 2007 Date